

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL****FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:

0 1 — 0 0 6

2. STATE:

MONTANA

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)

2001 M/R 11 A 7 14

4. PROPOSED EFFECTIVE DATE

JANUARY 1, 2001

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 447.250 to 272

7. FEDERAL BUDGET IMPACT:

a. FFY 2001 \$ 4,341,950

b. FFY \$

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

4.19 D Pages ~~13~~ 16 a
New9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

10. SUBJECT OF AMENDMENT:

NURSING FACILITY REIMBURSEMENT

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL☒ OTHER, AS SPECIFIED: Single State Agency
Director

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

GAIL GRAY

14. TITLE:

DIRECTOR

15. DATE SUBMITTED:

March 6, 2001

16. RETURN TO:

DEPARTMENT OF PUBLIC HEALTH & HUMAN SERVICES
GAIL GRAY DIRECTOR
ATTENTION KELLY WILLIAMS
P O BOX 202951
HELENA MT 59620-2951**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

March 14, 2001

18. DATE APPROVED:

May 14, 2001

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

January 1, 2001

20. SIGNATURE OF REGIONAL OFFICIAL:

Spencer K. Ericson

21. TYPED NAME:

Spencer K. Ericson

22. TITLE:

Acting Associate Regional Administrator

23. REMARKS:

Per Kelly Williams phone call 3/28/01 - change item 8 to "page 16a" and
new page of plan to "page 16a of 57".

POSTMARK: March 8, 2001

Per K. Williams add citation to blocks 6 5/4/01

37.40.311 RATE ADJUSTMENT FOR COUNTY FUNDED RURAL NURSING FACILITIES

(2) For the period commencing on or after January 1, 2001, and subject to the availability of sufficient county, state and federal funding, the Department will provide a mechanism for a one time, lump-sum payment to non-state governmental owned or operated facilities for Medicaid services. These payments will be for the purpose of maintaining access and viability for a class of "at risk" county affiliated facilities who are predominately rural in nature and are, for the most part, the only nursing facility in their community or county.

(a) A nursing facility is eligible to participating in this lump sum payment distribution if it is a non-state governmental owned or operated facility.

(b) The department will calculate the amount of lump sum distribution that will be allowed for each county affiliated provider so that the total per day amount does not exceed the computed Medicare upper payment limit for these providers. Distribution of these lump sum payments will be based on the Medicaid utilization at each participating facility for the period January 1-June 30, 2001.

(c) In order to qualify for this lump sum adjustment effective January 1, 2001, each non-state governmental owned or operated facility must enter into a written agreement to transfer local county funds to be used as matching funds by the Department. This transfer option is voluntary, but those facilities that agree to participate must abide by the terms of the written agreement.

(3) Effective for the period commencing on or after January 1, 2001, and subject to the availability of sufficient county, state and federal funding, the Department will provide for a one-time, lump sum distribution of funding to other nursing facilities not determined to be "at risk" for the provision of Medicaid services. These facilities are faced with declining census and the need for increased staffing in order to maintain viability and assure that quality nursing facility services are available to Medicaid eligible residents throughout Montana.

(a) Nursing facilities not meeting the "at risk" criteria in section (2) above may participate in the lump sum distribution as defined in section (3).

(b) The department will calculate the maximum amount of the lump sum payment that will be allowed for each participating non-state governmental owned or operated facility, as well as the additional payment for other nursing facilities not determined to be "at risk" for the provision of Medicaid services, based on the availability of funding and in accordance with state and federal laws, as well as applicable Medicare upper payment limit thresholds. This payment will be computed as a per day add-on based upon the funding available. Distribution will be in the form of lump sum payments and will be based on the Medicaid utilization at each participating facility for the period January 1-June 30, 2001.

TN #01-006

Approved 05/14/01

Effective 1/01/2001

Supersedes New